

## Message Text

SECRET

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44

ACTION EUR-25

INFO OCT-01 EA-11 ISO-00 AID-20 OMB-01 CIAE-00 DODE-00

PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01

PRS-01 SPC-03 SS-20 USIA-15 SAM-01 EB-11 TRSE-00

DRC-01 /148 W

----- 038679

R 011858Z FEB 74

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 7642

INFO AMEMBASSY PHNOM PENH

S E C R E T LONDON 01538

E.O. 11652: XGDS-1

TAGS: EAID, EFIN, CB

SUBJECT: BRITISH COMPLAINT ABOUT U.S. PRESSURE ON ESF

1. IN COURSE OF CONVERSATION ON UNRELATED SUBJECT, DEPUTY HEAD FCO SOUTHEAST ASIA DEPARTMENT COMPLAINED TO US ABOUT INAPPROPRIATE PRESSURE WE HAD PUT ON HMG IN LATE 1973 TO PARTICIPATE IN 1974 ESF. HE POINTED OUT THAT UK HAS SUPPORTED ESF SINCE ITS INCEPTION. THIS SUPPORT HAS BEEN ACHIEVED WITH DIFFICULTY AND ON A YEAR-BY-YEAR BASIS ONLY. EACH DECISION HAS BEEN THE SUBJECT OF A SHARP DISPUTE BETWEEN FCO AND TREASURY BECAUSE DIRECT BUDGETARY SUPPORT IS COUNTER TO UK AID POLICY.

2. HE NOTED THAT UK HAS LITTLE DIRECT POLITICAL INTEREST IN CAMBODIA BUT SUPPORTS U.S. POLICY AND HAD CONTRIBUTED IN THE HOPE THAT UK PARTICIPATION WILL MAKE IT EASIER FOR OTHERS, LIKE JAPAN, TO CONTRIBUTE.

3. THUS, HE SAID, HMG WAS UPSET WHEN U.S. EMBASSY PHNOM PENH TOLD UK EMBASSY THAT IF UK DID NOT CONTRIBUTE TO ESF, BRITISH FIRM DELAROUX WOULD LOSE CAMBODIAN

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BANKNOTE PRINTING CONTRACT -- THE ONLY SIGNIFICANT UK

ECONOMIC INTEREST IN CAMBODIA.

4. HE SAID THIS INCIDENT WILL NOT CAUSE HMG TO CHANGE  
POSITION ON CURRENT ESF. HE SPECULATED THAT THIS WOULD  
BE LAST CONTRIBUTION IN ANY CASE -- THAT FUTURE UK AID  
WOULD BE PLACED THROUGH DEVELOPMENT PROGRAMS.

ANNENBERG

SECRET

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCIAL CONTRIBUTIONS, FOREIGN ASSISTANCE, DEVELOPMENT LOANS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 FEB 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974LONDON01538  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** X1  
**Errors:** N/A  
**Film Number:** n/a  
**From:** LONDON  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t19740262/aaaacgkm.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EUR  
**Original Classification:** SECRET  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** SECRET  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 JUL 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19-Jul-2001 by willialc>; APPROVED <30 DEC 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BRITISH COMPLAINT ABOUT U.S. PRESSURE ON ESF  
**TAGS:** EAID, EFIN, CB, ESF  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005